

FISCAL NOTE

HB 461 - SB 621

March 26, 2003

SUMMARY OF BILL: Specifies that the maximum cumulative amount of the privilege tax on hotel occupancy adopted by a county or a municipality in such county shall not exceed 5%. Provides that revenues from any new occupancy tax or an increase in an existing tax must be used for the promotion of tourism. Specifies that these provisions apply only to private or public acts, or ordinances adopting such tax which are enacted after July 1, 2003. However, any increases in existing taxes must be levied in accordance with the provisions of the bill. Deletes provisions exempting certain local governments from the limitations placed on the hotel occupancy tax.

ESTIMATED FISCAL IMPACT:

Other Fiscal Impact -

- **Earmarks revenues from hotel occupancy taxes enacted after the effective date of the bill and from increases in existing taxes for promotion of tourism.**
- **Counties previously exempt from the limitations on the hotel occupancy tax that have not enacted such tax in both cities and counties will experience forgone revenues from what they would have been able to collect in the absence of the bill due to the 5% cumulative limit.**

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director